

BUDGET (12)

AGENCY PLAN: STATEMENT OF PURPOSE, GOALS AND BUDGET SUMMARY

STATEMENT OF PURPOSE:

The Budget Department compiles and monitors all necessary financial planning information and makes recommendations so that the City Administration can efficiently deliver quality services to improve public safety, accelerate economic development and improve the financial health of the City.

AGENCY GOALS:

1. Develop quality Departmental and Citywide financial plans.
2. Monitor conformity of Departmental activities with financial and operations plan.
3. Assist in the ongoing formulation of the Administration's priorities through systematic communication of quality fiscal analyses.
4. Provide efficient quality and user-friendly services to departments and key stakeholders of the City.

AGENCY FINANCIAL SUMMARY:

2006-07 <u>Requested</u>		2005-06 <u>Budget</u>	2006-07 <u>Recommended</u>	Increase (Decrease)
\$ 3,168,675	City Appropriations	\$ 2,684,088	\$ 2,752,101	\$ 68,013
\$ 3,168,675	Total Appropriations	\$ 2,684,088	\$ 2,752,101	\$ 68,013
\$ 3,168,675	NET TAX COST:	\$ 2,684,088	<u>\$ 2,752,101</u>	\$ 68,013

AGENCY EMPLOYEE STATISTICS:

2006-07 <u>Requested</u>		2005-06 <u>Budget</u>	04-01-06 <u>Actual</u>	2006-07 <u>Recommended</u>	Increase (Decrease)
<u>26</u>	City Positions	<u>27</u>	<u>25</u>	<u>23</u>	(4)
26	Total Positions	27	25	23	(4)

ACTIVITIES IN THIS AGENCY:

	2005-06 <u>Budget</u>	2006-07 <u>Recommended</u>	Increase (Decrease)
Budget Operations	\$ 2,684,088	\$ 2,752,101	\$ 68,013
Total Appropriations	\$ 2,684,088	\$ 2,752,101	\$ 68,013

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BUDGET OPERATIONS ACTIVITY INFORMATION

ACTIVITY DESCRIPTION:

The Budget Department is primarily responsible for the preparation of the annual operating and capital improvement budgets and the biennial five-year capital agenda. Critical functions are monitoring City revenues and expenditures throughout the fiscal year, and relating financial activity to the plan expressed by the budget and to the long-term strategic direction set for the City. Development, implementation, and coordination of management information systems are essential to all aspects of financial planning and control. Budget Department staff coordinates city employee travel, employee telecommunications approvals, and perform management audits of City operations as staffing levels permit.

GOALS:

1. Develop quality Departmental and Citywide Financial Plans.
 - Departments have meaningful involvement in development of Departmental plans.
 - Budget staff analyzes proposals and develops needed alternatives.
 - Citywide plans reflect a special focus on the Mayor's "Kids, Cops and Clean" priorities and are consistent with the overall strategic direction set for the City.
2. Monitor conformity of Departmental activities with financial and operations plans.
 - Budget staff spends an adequate amount of time with Departmental representatives.
 - Budget variances are explained and, where possible, predicted.
3. Assist in the ongoing formulation of the Administration's priorities through systematic communication of quality fiscal analyses.
 - Budget leadership is in regular/ongoing and useful dialogue with Administration about its policy directions.
 - Budget staff has special focus on the Mayor's service priorities in ongoing analysis (pro-active).
4. Provide efficient, quality and user-friendly services to departments and key stakeholders of the city.
 - Staff are trained and oriented to their responsibilities.
 - The Department offers useful management information to Departments and the Administration.
 - The Department spends less time on processing activities.

MAJOR INITIATIVES FOR FY 2005-06 and FY 2006-07:

To deal with fiscal challenges, Budget staff has increased cost monitoring and operational analysis. Staff still hold regular budget meetings with every agency to control expenditures and improve planning. Benchmarking and process improvement studies support attempts to consolidate or reduce program costs.

Starting in the Fall of 2005, Budget staff have managed a contract for reengineering of major business processes, funded by Budget Stabilization Bonds. Schumaker and Company, Inc., the Policy Analysis Division have functioned as a joint team working with major departments.

The methodology centers on documentation of the tasks associated with major business processes in field operations. Processes are "mapped" then analyzed for redundancies, risk areas, legal requirements and cost impact. Recommendations have focused variously on employee assignments, the number of relationships among processes, the organizational arrangement of functions, or the need for further evaluation, process improvement, benchmarking or other studies.

The Department of Public Works and the Fire Department were the first departments analyzed, with special attention to solid waste, vehicle management, and dispatch operations.

We partnered with ITS to implement Private Board Exchange (PBX) to replace Centrex phones in city offices, starting with the Cadillac Tower in the summer of 2004, the Coleman A Young Municipal Center in November 2004 and the Herman Kiefer Complex in 2005. We now have the ability to control call features at the desktop level, which is expected to save money after cutover costs are incurred.

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The Budget Department now maintains an inventory of all telecommunications devices by name, department, and title. This too has allowed a greater level of control and fostered more analysis of cost cutting opportunities. Likewise, travel management has been refined with a new reconciliation process and changes to the application used – all accomplished in-house despite the loss of a staff person in 2004-05. Teams have taken on the responsibility of handling travel reconciliations, which provides an individual response to concerns and issues.

In conjunction with the Annual Public Budget Meetings every fall, Budget staff present information about the budget process to high schools, police community relations and neighborhood organization meetings throughout the city.

The Budget Department continues to provide technical support to agencies. RFP committees served on include: Employee benefits analysis and vehicle pool rental agreement. Budget staff are members of numerous interagency working groups: the Transportation Group, the Department of Administrative Hearings Blight Violations Committee, the Vehicle Management Steering Committee (which budget staff also support), the Procurement Review Committee. Ongoing training seminars for city agencies are held annually: BRASS, performance measurement, and vehicle planning sessions.

PLANNING FOR THE FUTURE FOR FY 2006-07, FY 2007-08 and BEYOND:

The Budget Department has been a leader in the application of new technologies, in outreach and partnerships, and in process improvement efforts to improve efficiencies and better serve agencies and citizens. As a result, the Department has achieved a high level of professional excellence and innovation.

The Budget Department is a winner of the GFOA Distinguished Budget Award for 8 consecutive years, and has a commitment to public sector standards for planning and reporting of financial information. Accordingly, we would like to redesign our Executive Budget, Adopted “redbook” budget, and Five-Year Capital Agenda documents to make information more user-friendly. In coming years, we will add CD-ROM options to our document distribution. We are also developing standards for document archiving and retention.

In conjunction with renewed efforts at long-term planning in the last few years, we will further integrate geographic information systems (GIS) capability into our processes.

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BUDGET OPERATIONS MEASURES AND TARGETS

Type of Performance Measure List of Measures	2003-04 Actual	2004-05 Actual	2005-06 Projection	2006-07 Target
Inputs: Resources Allocated or Service Demands Made				
Personnel letters and requisitions evaluated and processed	1,655	1,688	1,605	1,600
Council and Finance Letters evaluated and processed	440	440	370	400
Personal Service Contracts reviewed, evaluated and processed	340	452	161	200
Team site visits to departments	50	100	50	100
Outputs: Units of Activity directed toward Goals				
Agencies attending Budget Request Seminar	39	37	32	40
Management Audit reports completed	3	3	5	6
Average number of days turnaround on Personal Service contracts	14	10	26.7	10
Average number of days turnaround on personnel letters	8	8	16.6	8
Average number of days turnaround on Finance/Council letters	12	11	21.7	11
Average number of days between travel request and approval	7.4	7	6.3	7
Outcomes: Results or Impacts of Program Activities				
Estimated General Fund surplus/deficit as % actual	99%	99%	99%	99%
Total citizen participation in the Citizen Budget Program	829	353	800	800
Department satisfaction ratings (1-5 scale)	4.02	4.00	3.99	3.99
Activity Costs	\$3,148,459	\$3,355,110	\$2,64,088	\$2,752,101

CITY OF DETROIT
Budget Department
Financial Detail by Appropriation and Organization

Budget Operations	2005-06 Redbook		2006-07 Dept Final Request		2006-07 Mayor's Budget Rec	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Budget Department Operations						
<i>APPROPRIATION ORGANIZATION</i>						
00226 - Budget Department Operations						
120010 - Budget Operations	27	\$2,684,088	26	\$3,168,675	23	\$2,752,101
APPROPRIATION TOTAL	27	\$2,684,088	26	\$3,168,675	23	\$2,752,101
ACTIVITY TOTAL	27	\$2,684,088	26	\$3,168,675	23	\$2,752,101

CITY OF DETROIT
Budget Development for FY 2006-2007
Appropriations - Summary Objects

	2005-06 Redbook	2006-07 Dept Final Request	2006-07 Mayor's Budget Rec
AC0512 - Budget Operations			
<i>A12000 - Budget Department</i>			
SALWAGESL - Salary & Wages	1,515,501	1,572,419	1,426,699
EMPBENESL - Employee Benefi	895,375	1,325,014	1,044,085
PROFSVCSL - Professional/Cont	8,000	5,000	5,000
OPERSUPSL - Operating Supplie	71,586	77,635	77,635
OPERSVCSL - Operating Service	193,626	188,607	188,607
OTHEXPSSL - Other Expenses	0	0	3,080
FIXEDCHGSL - Fixed Charges	0	0	6,995
<i>A12000 - Budget Department</i>	<i>2,684,088</i>	<i>3,168,675</i>	<i>2,752,101</i>
AC0512 - Budget Operations	2,684,088	3,168,675	2,752,101
Grand Total	2,684,088	3,168,675	2,752,101

CITY OF DETROIT
MAYOR'S 2006/2007 RECOMMENDED BUDGET

Budget Department

Appropriation	REDBOOK FY 2005	DEPT REQUEST	MAYORS FY 2006
Organization	2006 FTE	FY 2006 2007	2007 FTE
Classification			
00226 - Budget Department Operations			
120010 - Budget Operations			
Budget Director	1	1	1
Deputy Budget Director	1	1	1
General Manager - Budget	1	1	1
Manager II - Budget	3	3	3
Manager I - Budget	7	6	6
Principal Budget Analyst	1	1	1
Sr Budget Analyst - Exempted	2	2	2
Senior Budget Analyst	8	8	6
Administrative Specialist I	1	1	0
Executive Secretary III	1	1	1
Executive Secretary II	1	1	1
Total Budget Operations	27	26	23
Total Budget Department Operations	27	26	23
Agency Total	27	26	23